

FOR IMMEDIATE RELEASE

**Hitachi Establishes NEXPERIENCE
for Accelerating Social Innovation Business**

*Total support for the collaborative creation process
from sharing challenges to business model design with customers*

Tokyo, October 15, 2015 --- Hitachi, Ltd. (TSE: 6501, "Hitachi"), today announced the establishment of "NEXPERIENCE," a systematized process it has developed to facilitate the process of collaborative creation with customers. NEXPERIENCE is a collective term Hitachi will use for an approach to exploring and discovering business opportunities, creating business concepts and designing business models through in depth collaboration with customers. NEXPERIENCE uses systematized methodologies, tools, and spaces to foster the process of collaborative creation with customers. In an effort to be a leader in the Social Innovation Business, Hitachi will utilize NEXPERIENCE to accelerate collaborative creation with customers across various industries with the goal of resolving customers' issues and addressing societal challenges.

With the rapid pace of technological advancement, today's growing diversity in society, and progressive globalization, the challenges faced by societies and corporations are becoming increasing complex and unclear. In this complicated and growing world economy, Hitachi is strategically positioning itself to pursue collaborative creation with customers by understanding customers' challenges and using this knowledge to develop and deliver insightful solutions together with a view toward solving societal challenges more effectively.

This April, Hitachi's Research & Development Group launched its Global Center for Social Innovation^{*1} to promote global, customer-driven R&D. The Global Center for Social Innovation in Tokyo (CSI-Tokyo) brought together designers and researchers specializing in service engineering to develop, integrate and deploy Hitachi's advanced IT expertise into collaborative creation methodologies and tools that were cultivated using Hitachi's unique service design^{*2}.

As a result, NEXPERIENCE, a systematized customer collaborative creation process with unique methodologies, tools, and spaces, was established. NEXPERIENCE will contribute to developing new business by promoting value-added discussion and ideas in workshops that will be the cornerstone for conducting collaborative creation

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and designing business solutions with customers.

Main features of NEXPERIENCE are as follows:

(1) A collection of customer collaborative creation methodologies and IT tools for facilitating creative discussions

Hitachi's customer collaborative creation flow is divided into two phases: Vision sharing, and new concept generation/prototypes and demo development. Methodologies and IT tools are systematized for each of the phases. Features to facilitate discussion are incorporated into these IT tools; for example, functions to collect, store, and display the framework and data which are required for customer collaborative creation investigation. An automatic organization function was also developed to record investigation tasks and extracted ideas. For example, with the tools for designing a business model in the prototype development phase, participants can discuss a business model by simply moving icons on the touch panel and, in real-time, present different perspectives of illustrated business models using pictures or graphs. Conventional discussions use memos on a desk to visualize ideas and the results require days to analyze. NEXPERIENCE has integrated IT that allows business model investigation to be efficiently conducted in a shorter time period without any unnecessary interruption.



NEXPERIENCE customer collaborative creation process

(2) Customer collaborative creation space

A unique customer collaborative creation space with Hitachi's cutting-edge technologies was opened in CSI-Tokyo. This space is equipped with a presentation room, collaborative creation space, lounge area, and meeting rooms, to fulfill the diverse requirements of customers. In the collaborative creation space, there are

large touch-panel displays and a table display integrated with customer collaborative creation methodologies and tools and easy-to-use tablets. In-depth discussion to ensure understanding and creative activities, which engage both facilitators and participants, can be conducted using these tools. In addition, the lounge area offers a spacious view of the Tokyo metropolitan area, which may relax the mind and inspire creative problem-solving.



NEXPERIENCE customer collaborative creation space in CSI-Tokyo (Akasaka), R&D group

Current plans include providing the newly established NEXPERIENCE to regional CSIs in North America, China and Europe. Hitachi will lead the Social Innovation Business by accelerating the collaborative creation process with customers in various industries with the goal of addressing societal challenges and delivering value for customers.

*1 Hitachi, Ltd. news release: "Hitachi to Establish a Global R&D Structure from the Customer's Perspective"; Published February 27, 2015

<http://www.hitachi.com/New/cnews/month/2015/02/150227.html>

*2 Service design: A process to design products and business values in from the perspective of service. This concept originates from and was developed in Europe. Its influence has been extending to service interaction, business itself, organization structuring and organizational cultures in recent years

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges with our talented team and proven experience in global markets. The company's consolidated revenues for fiscal 2014 (ended March 31, 2015) totaled 9,761 billion yen (\$81.3 billion). Hitachi is focusing more than ever on the Social Innovation Business, which includes power & infrastructure systems, information & telecommunication systems, construction machinery, high functional materials & components, automotive systems, healthcare and others. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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